

117TH CONGRESS
1ST SESSION

H. R. 5779

To amend the Higher Education Act of 1965 to require the Secretary of Education to create a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 28, 2021

Ms. LEGER FERNANDEZ (for herself and Mrs. SPARTZ) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To amend the Higher Education Act of 1965 to require the Secretary of Education to create a personal finance education portal on a centralized website of the Department of Education pertaining to Federal financial aid.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Financial Fitness
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

(2) Student debt has significant racial equity implications. Almost half of Black college students are using Federal student loans to cover educational costs, and Black college graduates are still substantially more likely than white college graduates to default on their debt within 4 years of graduation (7.6 percent versus 2.4 percent of white graduates). In addition, 4 years after graduation, 48 percent of Black students owe an average of 12.5 percent more than they borrowed. Students who are veterans, parents, first-generation college students, or low income are also likely to face higher risk of default.

1 (4) Native American financial status remains
2 among the lowest of all minority populations in the
3 Nation. Native people are the least likely of all popu-
4 lation groups, including other minorities, to plan for
5 retirement, have an emergency fund, or have a
6 checking account. Native American and Alaska Na-
7 tive borrowers take on student loan debt at a rate
8 higher than the overall population, 76 percent com-
9 pared to 69 percent.

10 (5) Among college graduates with any out-
11 standing debt for their education, first-generation
12 college graduates tend to owe more. About two-
13 thirds of first-generation college graduates owe at
14 least \$25,000 or more, compared with 57 percent of
15 second-generation college graduates, and 200,000
16 United States service members owe nearly
17 \$3,000,000,000 in student loans.

18 (6) Student debt among older adults has stead-
19 ily increased, with many individuals taking on debt
20 to finance higher education for their children and
21 grandchildren.

22 (7) Despite the fact that many students and
23 families must make substantial and highly con-
24 sequential decisions about student loan borrowing
25 and face growing college affordability challenges, less

1 than half of States make personal finance a core
2 part of basic education.

3 (8) Just over 2 in 10 non-retirees under age 45
4 have retirement savings that meet their age-specific
5 thresholds. 42 percent of Americans age 18–29 have
6 no retirement savings; 26 percent of those age 30–
7 44; 17 percent of those age 45–59; and 13 percent
8 of those over age 60.

9 (9) People with self-directed retirement savings
10 (nearly 7 in 10 non-retired adults) must make deci-
11 sions about how the money is invested. Six in 10
12 non-retirees with these self-directed accounts express
13 low levels of comfort in making investment decisions
14 with their retirement savings.

15 (10) The COVID–19 pandemic exacerbated the
16 need to provide families with better tools to weather
17 financial challenges, with a rapid spike in unemploy-
18 ment occurring in mid-2020, along with significant
19 shifts to individuals’ housing and transportation
20 needs.

21 (11) Nearly 1 in 10 student loan borrowers end
22 up in default, and even more struggle to repay their
23 loans, indicating an important need to ensure bor-
24 rowers can access information to help them navigate
25 repayment and succeed financially.

1 **SEC. 3. PERSONAL FINANCE EDUCATION PORTAL.**

2 Section 485 of the Higher Education Act of 1965 (20
3 U.S.C. 1092) is amended by adding at the end the fol-
4 lowing:

5 “(n) PERSONAL FINANCE EDUCATION PORTAL.—

6 “(1) IN GENERAL.—Not later than 3 years
7 after the date of enactment of this Act, the Sec-
8 retary, in consultation with the Director of the Bu-
9 reau of Consumer Financial Protection, the Sec-
10 retary of the Treasury as chair of the Financial Lit-
11 eracy and Education Commission, and the Commis-
12 sioner of Internal Revenue, shall create a personal
13 finance education portal on a centralized and pub-
14 licly available website of the Department pertaining
15 to Federal financial aid for the voluntary use by re-
16 cipients of aid awarded under this title.

17 “(2) CONTENT OF PERSONAL FINANCE EDU-
18 CATION PORTAL.—The personal finance education
19 portal created under paragraph (1) shall include in-
20 formation on personal finance concepts, including
21 the following:

22 “(A) Core personal finance concepts, such
23 as earning, saving, investing, spending, and
24 borrowing, including—

25 “(i) the concept of compound growth
26 as it applies to savings and retirement sav-

1 ings, with information about the different
2 types of retirement savings accounts; and
3 “(ii) budgeting and credit usage.

4 “(B) Managing student loan repayment,
5 including—

6 “(i) the interaction between savings
7 and retirement decisions and Federal stu-
8 dent loan repayment plans;

9 “(ii) Federal student loan discharge
10 or forgiveness options;

11 “(iii) the types of voluntary benefits
12 employers may use to help workers while
13 they are paying down student loan debt;

14 “(iv) tax credits or deductions that
15 are relevant to student loan borrowers in
16 repayment; and

17 “(v) any other Federal policies that
18 significantly impact student loan borrowers
19 in repayment, as determined by the Sec-
20 retary.

21 “(C) Any other personal finance concepts
22 determined relevant by the Secretary, in con-
23 sultation with the Director of the Bureau of
24 Consumer Financial Protection, the Secretary
25 of the Treasury as chair of the Financial Lit-

1 eracy and Education Commission, and the
2 Commissioner of Internal Revenue.

3 “(3) PROVISION OF CONTENT.—The personal
4 finance content included under paragraph (2) may
5 be provided in an interactive format through text or
6 video.

7 “(4) ANALYTICS.—The Secretary, in consulta-
8 tion with the Director of the Bureau of Consumer
9 Financial Protection, the Secretary of the Treasury
10 as chair of the Financial Literacy and Education
11 Commission, and the Commissioner of Internal Rev-
12 enue, shall review not less than once every three
13 years the utilization of the portal and make such
14 findings publicly available.

15 “(5) AUTHORIZATION OF APPROPRIATIONS.—
16 There are authorized to be appropriated such sums
17 as may be necessary to carry out the purposes of
18 this subsection.”.

